GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4239
ANSWERED ON:11.08.2017
Policy on Digital Payment Fee
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to formulate any policy on the fee being charged for different modes of digital payments like RTGS, NEFT and debit cards;
(b) if so, the details thereof;
(c) whether the Government proposes to disseminate digital payments data at a disaggregated level to analyse the growth and effectiveness of individual digital payment technologies;
(d) if so, the details thereof; and
(e) if not, the reasons therefor?

Answer

The Minister of State in the Ministry of Finance

(a) and (b) Reserve Bank of India (RBI) instructions regarding service charges provide that banks should fix charges for various types of services with the approval of their Board of Directors, while ensuring that the charges are reasonable and not out of line with the average cost of providing the services. Banks are also to ensure that customers with low volume of activities are not penalized. In respect of charges on the Real Time Gross Settlement (RTGS) and National Electronic Fund Transfer (NEFT) systems, RBI has prescribed the maximum charges banks may levy on customers for availing services offered by it. Further, in respect of debit card transactions, RBI has capped the Merchant Discount Rate (MDR).

(c) to (e) RBI publishes on its website electronic payments data disaggregated by payment system. The data covers Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Cheque Truncation System (CTS), Immediate Payment Service (IMPS), National Automated Clearing House (NACH), Unified Payment Interface (UPI) and Unstructured Supplementary Services Data (USSD), and representative data on debit and credit cards at Point of Sale (PoS), pre-paid instruments and mobile banking.

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